## 107TH CONGRESS 1ST SESSION

## H. R. 1009

To repeal the prohibition on the payment of interest on demand deposits.

## IN THE HOUSE OF REPRESENTATIVES

March 13, 2001

Mr. Toomey (for himself, Mr. Kanjorski, Mr. Gonzalez, Mr. Ney, Ms. Hooley of Oregon, Mrs. Roukema, and Ms. Capito) introduced the following bill; which was referred to the Committee on Financial Services

## A BILL

To repeal the prohibition on the payment of interest on demand deposits.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Business Checking
- 5 Freedom Act of 2001".
- 6 SEC. 2. INTEREST-BEARING TRANSACTION ACCOUNTS AU-
- 7 THORIZED.
- 8 (a) Repeal of Prohibition on Payment of In-
- 9 TEREST ON DEMAND DEPOSITS.—

1 (1) Federal Reserve act.—Section 19(i) of 2 the Federal Reserve Act (12 U.S.C. 371a) is amend-3 ed to read as follows: "(i) [Repealed]". 4 (2) Home owners' loan act.—The first sen-5 6 tence of section 5(b)(1)(B) of the Home Owners' Loan Act (12 U.S.C. 1464(b)(1)(B)) is amended by 7 striking "savings association may not—" and all 8 9 that follows through "(ii) permit any" and inserting 10 "savings association may not permit any". 11 (3) Federal Deposit insurance act.—Sec-12 tion 18(g) of the Federal Deposit Insurance Act (12 13 U.S.C. 1828(g)) is amended to read as follows: 14 "(g) [Repealed]". 15 (b) Effective Date.—The amendments made by 16 subsection (a) shall take effect at the end of the 1-year

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period beginning on the date of the enactment of this Act.